

**United States Bankruptcy Court
Western District of North Carolina**

MONTHLY STATUS REPORT

IN RE: THE HAMMOCKS, LLC *dba* Richmond Hill Inn

CASE NO: 09-10332

Reporting Period:

FROM:

MAY 1, 2010

TO:

MAY 31, 2010

I certify under penalty of perjury that the information contained in the attached Monthly Status Report consisting of _____ pages (including exhibits and attachments) is true and correct to the best of my knowledge and belief.

Dated:

6/15/10

William E. Gray
Debtor Representative

Debtor Representative

I certify that I have reviewed the information contained in the attached Monthly Status Report consisting of ____ pages and based on my knowledge of this case and the debtor's financial and business affairs, this Monthly Status Report is accurate, complete, and does not contain any misrepresentation of which I am aware. I further certify that this report has been served on all parties as required by law or court order.

Dated:

June 15, 2010

Attorney for Debtor

NARRATIVE ON PROGRESS OF CASE:

[illegible]

CASH RECEIPTS AND DISBURSEMENTS

BEGINNING CASH POSITION is the same figure as the **ENDING CASH POSITION** of prior month.

BEGINNING CASH POSITION

DATE: 5-1-2010 AMOUNT: \$ (6879.66)

CASH RECEIPTS	AMOUNT	CASH DISBURSEMENTS	AMOUNT
Description		Description	
Scan from Emily Grey	20,000.00	Inventory Purchased	
		Salaries/Wages	
		Taxes (Total)	8169.10
		Insurance (Total)	97.72
		Unsecured Loan Payments	
		Utilities (Total)	7630.32
		Rent	
		Professional Fee	650.00
		Maintenance/Repair	1128.56
		Maintenance/Repair	205.24
		OTHER DISBURSEMENTS (List)	
		Bank Fees	82.00
		Computer	763.59
		Land. Contractors	5351.00
TOTAL CASH RECEIPTS	20,000.00	TOTAL DISBURSEMENTS	23,762.53

ENDING CASH POSITION

DATE: 5-31-2010 AMOUNT: \$ <10,642.19>

PAYMENTS TO SECURED CREDITORS

☐ No Secured Debt

☒ No Secured Debt Payments Made During Reporting Period

☐ All Secured Debt Payments Made During Reporting Period Are Listed Below:

CREDITOR	COLLATERAL	DATE OF PAYMENT	AMOUNT
		AMOUNT	\$

PAYMENTS ON PRE-PETITION DEBT

☒ No payments have been made on pre-petition unsecured debt during the reporting period.

☐ All payments made on pre-petition unsecured debt during reporting period are listed below:

CREDITOR	COLLATERAL	DATE OF PAYMENT	AMOUNT

BANK ACCOUNTS

ALL BANK STATEMENTS MUST BE ATTACHED
FOR EACH ACCOUNT. PLEASE REPRODUCE THIS PAGE
AND COMPLETE A SEPARATE PAGE FOR EACH ACCOUNT.
ATTACH BANK STATEMENT TO CORRESPONDING PAGE.

Name of Bank: SUNTRUST BANK
Address: P.O. Box 62227
Street and/or P. O. Box Number
ORLANDO FL 32862-2227
City State Zip Code
Type of Account: OPERATING
(i.e., Payroll, Tax, Operating):
Account Number: [REDACTED] 32.76

DATE PERIOD BEGINS: 5-1-2010

Ending Balance (per the attached bank statement for this period)	\$ <u>11358.06</u>
Outstanding Deposits and Other Credits Not On Statement	\$ <u>0</u>
Outstanding Checks and Other Debits Not On Statement	\$ <u>7158.79</u>
Ending Reconciled Balance*	\$ <u>4199.27</u>

DATE PERIOD ENDS: 5-31-2010

Highest Daily Balance
During Above Period \$ 12,524.69

* The sum of the ending balances of all accounts must reconcile with the Ending Cash Position on the Cash Receipts and Disbursements page.

SUNTRUST BANK
P O BOX 622227
ORLANDO FL 32862-2227

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05/31/2010



Account Statement



THE HAMMOCKS LLC DIP
CASE 09 103320
87 RICHMOND HILL DR
ASHEVILLE NC 28806-3912

Questions? Please call
1-800-786-8787

IMPORTANT NOTICE REGARDING UNLAWFUL INTERNET GAMBLING TRANSACTIONS: ALL TRANSACTIONS THAT ARE "RESTRICTED TRANSACTIONS" AS DEFINED UNDER THE UNLAWFUL INTERNET GAMBLING ENFORCEMENT ACT OF 2006 AND REGULATION GG ARE PROHIBITED FROM BEING PROCESSED THROUGH ANY OF YOUR ACCOUNTS OR YOUR RELATIONSHIP WITH THE BANK.

Account Summary	Account Type	Account Number	Statement Period
	FREE BUSINESS CHECKING	██████████93276	05/01/2010 - 05/31/2010

Description	Amount	Description	Amount
Beginning Balance	\$9,757.58	Average Balance	\$8,211.50
Deposits/Credits	\$20,355.00	Average Collected Balance	\$8,196.98
Checks	\$14,069.36	Number of Days in Statement Period	31
Withdrawals/Debits	\$4,685.16		
Ending Balance	\$11,358.06		

Deposits/ Credits	Date	Amount	Serial #	DEPOSIT	Date	Amount	Serial #	DEPOSIT
	05/13	10,000.00			05/27	10,000.00		
	05/18	355.00		ELECTRONIC/ACH CREDIT				
				MERCHANT SERVICE	8015343539		8015343539	
Deposits/Credits: 3				Total Items Deposited: 2				

Checks	Check Number	Amount	Date Paid	Check Number	Amount	Date Paid	Check Number	Amount	Date Paid
	1498	13.30	05/17	1617	320.00	05/11	1627	1,860.54	05/19
	*1604	196.00	05/04	1618	136.00	05/17	1628	40.00	05/24
	*1607	200.19	05/04	1619	350.05	05/14	1629	300.00	05/24
	1608	307.50	05/06	1620	320.00	05/17	1630	112.00	05/21
	*1611	400.00	05/03	1621	320.00	05/18	1631	340.00	05/21
	1612	320.00	05/04	1622	400.00	05/20	1632	400.00	05/25
	1613	320.00	05/04	1623	1,389.44	05/24	1633	320.00	05/25
	1614	360.00	05/07	1624	1,253.25	05/25	*1639	340.00	05/28
	1615	112.00	05/07	1625	2,134.34	05/21	1640	112.00	05/28
	1616	400.00	05/11	1626	992.75	05/25			

Checks: 29

*Break in check sequence

Withdrawals/ Debits	Date Paid	Amount	Serial #	Description
	05/03	70.00		ELECTRONIC/ACH DEBIT
				MERCHANT SERVICE 8015343539 8015343539
	05/03	18.37		CHECK CARD PURCHASE
				TR DATE 04/30
	05/03	150.00		CHECK CARD PURCHASE
				WEAVERVILLE NC
				TR DATE 04/29
	05/04	12.00		CHECK CARD PURCHASE
				WELDING UNLIMITED
				828-891-8501 NC
	05/04	12.00		ELECTRONIC/ACH DEBIT
				AUTHNET GATEWAY BILLING
				18687970
	05/06	763.59		CHECK CARD PURCHASE
				TR DATE 05/03
				ASHEVILLE NC
	05/07	674.52		CHECK CARD PURCHASE
				TR DATE 05/04
				877-2022594 NC
				WW GRAINGER

SUNTRUST BANK
P O BOX 622227
ORLANDO FL 32862-2227

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3276
05/31/2010



Account Statement

Withdrawals/ Debits	Date Paid	Amount	Serial #	Description
	05/10	2,200.00		ONLINE BANKING TRANSFER TO 0175 1000094493284
	05/10	355.00		ELECTRONIC/ACH DEBIT
				MERCHANT SERVICE 8015343539 8015343539
	05/10	9.59		CHECK CARD PURCHASE TR DATE 05/06
				CITI STOP 108 ASHEVILLE NC
	05/13	44.13		CHECK CARD PURCHASE TR DATE 05/11
				HARBOR FREIGHT TOOLS 223 ASHEVILLE NC
	05/17	6.00		CHECK CARD PURCHASE TR DATE 05/12
				CITIZENS DO IT BEST HARDW ASHEVILLE NC
	05/17	26.95		CHECK CARD PURCHASE TR DATE 05/13
				CITIZENS DO IT BEST HARDW ASHEVILLE NC
	05/18	97.72		ELECTRONIC/ACH DEBIT
				AUTO-OWNERS INS. PREM CB011020860
	05/19	40.03		CHECK CARD PURCHASE TR DATE 05/17
				EBLEN SHORT STOP #6 ASHEVILLE NC
	05/20	102.36		CHECK CARD PURCHASE TR DATE 05/17
				ASHEVILLE AREA HABITAT FO ASHEVILLE NC
	05/21	15.33		CHECK CARD PURCHASE TR DATE 05/18
				BOB LAWRENCE POWER E 800-0000000 NC
	05/24	12.92		CHECK CARD PURCHASE TR DATE 05/19
				CITIZENS DO IT BEST HARDW ASHEVILLE NC
	05/24	58.29		CHECK CARD PURCHASE TR DATE 05/20
				CITIZENS DO IT BEST HARDW ASHEVILLE NC
	05/26	10.00		CHECK CARD PURCHASE TR DATE 05/24
				BUNCOMBE COUNTY GENERAL ALEXANDER NC
	05/28	18.36		CHECK CARD PURCHASE TR DATE 05/25
				CITIZENS DO IT BEST HARDW ASHEVILLE NC

Withdrawals/Debits: 20

Balance Activity History	Date	Balance	Collected Balance	Date	Balance	Collected Balance
	05/01	9,757.58	9,532.58	05/18	11,609.67	11,609.67
	05/03	9,119.21	9,119.21	05/19	9,709.10	9,709.10
	05/04	8,071.02	8,071.02	05/20	9,206.74	9,206.74
	05/06	6,999.93	6,999.93	05/21	6,605.07	6,605.07
	05/07	5,853.41	5,853.41	05/24	4,804.42	4,804.42
	05/10	3,288.82	3,288.82	05/25	1,838.42	1,838.42
	05/11	2,568.82	2,568.82	05/26	1,828.42	1,828.42
	05/13	12,524.69	12,524.69	05/27	11,828.42	11,828.42
	05/14	12,174.64	12,174.64	05/28	11,358.06	11,358.06
	05/17	11,672.39	11,672.39			

6/7/10 at 17:32:34.26

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The Hammocks, Inc. LLC
Account Reconciliation
As of May 31, 2010
000-1006 - SUNTRUST-GENERAL D/I/P
Bank Statement Date: May 31, 2010

Beginning GL Balance			7,961.80
Add: Cash Receipts			20,000.00
Less: Cash Disbursements			(13,802.37)
Add (Less) Other			(9,960.16)
Ending GL Balance			<u>4,199.27</u>
Ending Bank Balance			<u>11,358.06</u>
Add back deposits in transit			
Total deposits in transit			
(Less) outstanding checks			
	Dec 4, 2009	1479	(38.79)
	May 24, 2010	1634	(320.00)
	May 25, 2010	1635	(350.00)
	May 25, 2010	1636	(100.00)
	May 28, 2010	1637	(320.00)
	May 28, 2010	1639	(400.00)
Total outstanding checks			<u>(1,528.79)</u>
Add (Less) Other			
	May 1, 2010	JE-CREDIT	<u>(5,630.00)</u>
Total other			(5,630.00)
Unreconciled difference			<u>0.00</u>
Ending GL Balance			<u><u>4,199.27</u></u>

BANK ACCOUNTS

ALL BANK STATEMENTS MUST BE ATTACHED
FOR EACH ACCOUNT. PLEASE REPRODUCE THIS PAGE
AND COMPLETE A SEPARATE PAGE FOR EACH ACCOUNT.
ATTACH BANK STATEMENT TO CORRESPONDING PAGE.

Name of Bank: SUNTRUST BANK
Address: P.O. Box 622227
Street and/or P. O. Box Number
ORLANDO FL 32862-2227
City State Zip Code
Type of Account: TAX
(i.e., Payroll, Tax, Operating):
Account Number: [REDACTED] 3284

DATE PERIOD BEGINS: 5-1-2010

Ending Balance (per the attached bank statement for this period)	\$ <u>2680.53</u>
Outstanding Deposits and Other Credits Not On Statement	\$ <u>5630.00</u>
Outstanding Checks and Other Debits Not On Statement	\$ <u>8169.10</u>
Ending Reconciled Balance*	\$ <u>141.43</u>

DATE PERIOD ENDS: 5-31-2010

Highest Daily Balance
During Above Period \$ 2041.82

* The sum of the ending balances of all accounts must reconcile with the Ending Cash Position on the Cash Receipts and Disbursements page.

SUNTRUST BANK
P O BOX 622227
ORLANDO FL 32862-2227

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05/31/2010



Account Statement



THE HAMMOCKS LLC DIP
TAX ESCROW ACCOUNT
CASE 09 10332
87 RICHMOND HILL DR
ASHEVILLE NC 28806-3912

Questions? Please call
1-800-786-8787

IMPORTANT NOTICE REGARDING UNLAWFUL INTERNET GAMBLING TRANSACTIONS: ALL TRANSACTIONS THAT ARE "RESTRICTED TRANSACTIONS" AS DEFINED UNDER THE UNLAWFUL INTERNET GAMBLING ENFORCEMENT ACT OF 2006 AND REGULATION GG ARE PROHIBITED FROM BEING PROCESSED THROUGH ANY OF YOUR ACCOUNTS OR YOUR RELATIONSHIP WITH THE BANK.

Account Summary	Account Type	Account Number	Statement Period
	FREE BUSINESS CHECKING	3284	05/01/2010 - 05/31/2010

Description	Amount	Description	Amount
Beginning Balance	\$480.53	Average Balance	\$2,041.82
Deposits/Credits	\$2,200.00	Average Collected Balance	\$2,041.82
Checks	\$0.00	Number of Days in Statement Period	31
Withdrawals/Debits	\$0.00		
Ending Balance	\$2,680.53		

Deposits/Credits	Date	Amount	Serial #	Description
	05/10	2,200.00		ONLINE BANKING TRANSFER FROM 0175 1000094493276
Deposits/Credits: 1		Total Items Deposited: 0		

Balance Activity History	Date	Balance	Collected Balance	Date	Balance	Collected Balance
	05/01	480.53	480.53	05/10	2,680.53	2,680.53

6/7/10 at 17:34:55.95

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The Hammocks, Inc. LLC
Account Reconciliation
As of May 31, 2010
000-1007 - SUNTRUST-TAX D/I/P
Bank Statement Date: May 31, 2010

Beginning GL Balance		480 53
Add: Cash Receipts		
Less: Cash Disbursements		(8,169.10)
Add (Less) Other		<u>7,830 00</u>
Ending GL Balance		<u>141 43</u>
Ending Bank Balance		2,680 53
Add back deposits in transit		
Total deposits in transit		
(Less) outstanding checks		
	May 10, 2010	(2,540.84)
	May 31, 2010	(2,454.66)
	May 31, 2010	<u>(3,173 60)</u>
Total outstanding checks		(8,169.10)
Add (Less) Other		
	May 1, 2010	JE-CREDIT <u>5,630 00</u>
Total other		5,630.00
Unreconciled difference		<u>0 00</u>
Ending GL Balance		<u>141 43</u>

BANK ACCOUNTS

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ATTACH BANK STATEMENT TO CORRESPONDING PAGE.

Name of Bank: CAROLINA FIRST

Address: 200 CONNELL STREET
Street and/or P. O. Box Number

Asheville NC 28806
City State Zip Code

Type of Account:
(i.e., Payroll, Tax, Operating): NEW D/I/P OPERATING

Account Number: [REDACTED] 680

DATE PERIOD BEGINS: 5-1-2010

Ending Balance (per the attached
bank statement for this period) \$ <14,982.89>

Outstanding Deposits and Other
Credits Not On Statement \$ 0

Outstanding Checks and Other
Debits Not On Statement \$ 0

Ending Reconciled Balance* \$ <14,982.89>

DATE PERIOD ENDS: 5-31-2010

Highest Daily Balance
During Above Period \$ <14,982.89>

* The sum of the ending balances of all accounts must reconcile with the Ending Cash Position on the Cash Receipts and Disbursements page.



7102489680 31 I

THE HAMMOCKS LLC
DBA RICHMOND HILL INN
87 RICHMOND HILL DRIVE
ASHEVILLE NC 28806

Our business and personal debit cards are convenient and free.
Visit your local branch to get started today.

April 30, 2010 - May 31, 2010 Account Number **7102489680** Page 1 of 1
No enclosures

FREE BUSINESS CHECKING **Summary** **7102489680**

Previous Balance	+ Deposits Credits	- Checks Debits	- Service Charges	+ Interest Credits	New Balance
-14,982.89	0.00	0.00	0.00	0.00	-14,982.89

31 Days in Statement Period

Daily Balance Summary

<u>Date</u>	<u>Balance</u>	<u>Date</u>	<u>Balance</u>
04-30 Beginning - Ending Balance	-14,982.89		

6/7/10 at 17:33:14.24

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The Hammocks, Inc. LLC
Account Reconciliation
As of May 31, 2010
000-1004 - CAROLINA FIRST-GENERAL
Bank Statement Date: May 31, 2010

Beginning GL Balance	(14,982.89)
Add: Cash Receipts	
Less: Cash Disbursements	
Add (Less) Other	
Ending GL Balance	<u>(14,982.89)</u>
Ending Bank Balance	
Add back deposits in transit	
Total deposits in transit	
(Less) outstanding checks	
Total outstanding checks	
Add (Less) Other	
Total other	
Unreconciled difference	<u>(14,982.89)</u>
Ending GL Balance	<u>(14,982.89)</u>

SALARY/COMMISSION/INDEPENDENT CONTRACTOR PAYMENTS

Insiders* (List name(s) and describe type of insider):

NAME	TYPE	AMOUNT PAID
		\$
		\$
		\$
		\$
		\$

Non-Insider Employees

Type (i.e., Salaried, Wage)

	AMOUNT PAID
	\$
	\$
	\$
	\$

Commission/Bonus Payments:

	\$
	\$
	\$
	\$

Independent Contractors:

NAME	TYPE	AMOUNT PAID
DON NORRIS	MAINT	\$ 1600.00
ROY APPHEGATE	SECURITY	\$ 1360.00
CASUAL LABOR	MAINT/SECURITY	\$ 2391.00
		\$

**Total Salary/Wage/Commission/
Payments**

\$
5351.00

* "Insider" is defined in 11U.S.C.
Sec101(31)

SALES/ACCOUNTS RECEIVABLE

- I. Accounts Receivable Pending As of: 5-31-2010
(Date of Reporting Period)
- II. Sales (gross) During Reporting Period: 0
- III. Collections of Accounts Receivable During Reporting Period: \$ 0
- IV. New Accounts Receivables Generated During Reporting Period: \$ 0

Pending Pre & Post Petition	Total	Collectible	Uncollectible
0-30 DAYS	\$	\$	\$
31-60 DAYS	\$	\$	\$
61-90 DAYS	\$	\$	\$
91-120 DAYS	\$	\$	\$
120 DAYS AND OVER	\$ 2794.88	\$	\$ 2794.88
TOTAL	\$ 2794.88	\$	\$ 2794.88

INVENTORY (Cost Basis)

Beginning Date: _____ Ending Date: _____

LIST BY CATEGORY OF INVENTORY USED FOR PRODUCTION OR RESALE*:

CATEGORY	BEGINNING	USED	ADDED	ADJUSTED	ENDING
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
TOTALS	\$	\$	\$	\$	\$

*Exclude capital items such as machinery and equipment and consumable items such as fuel and general supplies

ACCRUED POST-PETITION LIABILITIES

No accrued liabilities existed at the end of this reporting period.

All accrued liabilities existing at the end of this reporting period are listed below or on the sheet (s) attached. Exclude current liabilities which are NOT past due

[illegible]

Total Accrued Liabilities

\$ 8318.02

AFFIRMATIONS

1. Yes ☒ No ☐ All tangible assets of this bankruptcy estate are adequately and properly insured and all other insurance required by law or prudent business judgment are in force.
2. Yes ☒ No ☐ All insurance policies and renewals if applicable, have been submitted to the Bankruptcy Administrator.
3. Yes ☒ No ☐ All tax returns have been filed timely and payments made. Copies of returns have been filed post-petition have been submitted to the Bankruptcy Administrator.
4. Yes ☒ No* ☐ All post-petition taxes have been paid or deposited into a designated tax account.
5. Yes ☒ No ☐ New Debtor-In-Possession (DIP) bank accounts have been opened and have been reconciled.
6. Yes ☒ No ☐ New DIP financial books and records have been opened and are being maintained monthly and are current.

* If the response is "no", a listing must appear on the Accrued Post-Petition Liabilities sheet. The listing must include the name of the taxing authority, type of tax, the amount due and the period the tax was incurred.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA**

IN RE:)	09-10332/Chapter 11 Proceeding
)	
THE HAMMOCKS, LLC d/b/a)	CERTIFICATE OF SERVICE
Richmond Hill Inn,,)	
)	
Debtor.)	


The undersigned certifies that copy of Monthly Status Report for the month of May, 2010 has been served by first class mail in a properly addressed envelope with adequate postage affixed on each of the following parties:

Bankruptcy Administrator
402 West Trade Street, Room 200
Charlotte NC 28202-1669

Internal Revenue Service
320 Federal Place
Greensboro NC 27401

Securities & Exchange Commission
Atlanta Regional Office
3475 Lenox Road, Ste. 1000
Atlanta GA 30326-1232

This the 16th day of June, 2010.



David G. Gray, Attorney for Debtor/D.I.P.
N. C. State Bar No. 1733

WESTALL, GRAY, CONNOLLY & DAVIS, P.A.
81 Central Avenue
Asheville, North Carolina 28801
Tel: (828) 254-6315
Fax: (828) 255-0305